

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)	
COMMISSION OF THE APPLICATION OF THE)	
FUEL ADJUSTMENT CLAUSE OF KENTUCKY)	CASE NO. 90-362-A
POWER COMPANY FROM NOVEMBER 1, 1990)	
TO APRIL 30, 1991)	

O R D E R

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on July 2, 1991 established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of Kentucky Power Company ("Kentucky Power") for the 6 months ended April 30, 1991.

As part of this review, Kentucky Power, pursuant to Commission Order, submitted certain information concerning its compliance with Commission Regulation 807 KAR 5:056. A public hearing was held on August 14, 1991.

The Commission has previously established Kentucky Power's base fuel cost at 12.92 mills per Kwh.¹ A review of Kentucky Power's monthly fuel clause filings show that the actual fuel costs incurred for the 6-month period under review ranged from a low of 11.79 mills in December 1990 to a high of 13.36 mills in February 1991, with a 6-month average of 12.67 mills.

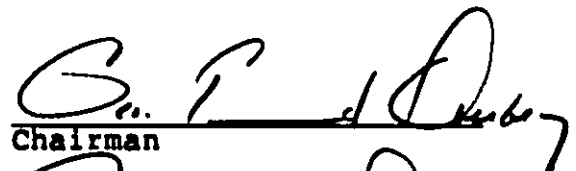
¹ Case No. 90-362, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Power Company from November 1, 1988 to October 31, 1990. Order dated April 3, 1991.

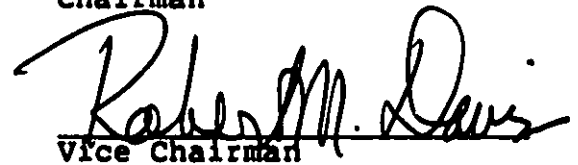
The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds no evidence of improper calculation or application of Kentucky Power's FAC charge or improper fuel procurement practices.

IT IS THEREFORE ORDERED that the charges and credits billed by Kentucky Power through the FAC for the period November 1, 1990 to April 30, 1991 be and they hereby are approved.

Done at Frankfort, Kentucky, this 30th day of September, 1991.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

Commissioner

ATTEST:


Executive Director